

## **FY12 Budget Address**

**May 3, 2011**

I want to begin by thanking you Mr. President, and all the members of the Town Council for the spirit of cooperation and partnership with which we have continued to address the many issues we face. I stand before you with my fourth budget proposal. These past three years we have persevered through some of the most difficult financial times our Commonwealth and our country have ever seen. While challenges will continue to confront our community, this budget will allow us to meet them in a manner that maintains a high quality of services for our residents.

In the hardest of times we have made tough choices and never wavered from our responsibility to act in Braintree's best interest. When necessary and where it made sense, we reduced the cost of operating town government through consolidating our workforce. We have used the resources provided by the state and federal government prudently and anticipated their reduction. We have welcomed every opportunity to identify efficiencies, embrace the importance of technology, and maintain a daily mindset on strong financial management. We have partnered with our unions to save jobs and make benefits affordable. And despite a 40% reduction in unrestricted local aid, we have worked together to ensure the services we provide in fiscal year 2012 are sustainable.

Our collective efforts have not gone unnoticed. In a time when bond rating agencies are placing a negative outlook over the entire government bond market, including U.S. treasury bonds, Braintree is running counter to the trend. In its most recent analysis of Braintree's operations, Moody's Investors Service lauded Braintree's "conservative financial management practices which have resulted in positive operating results and increasing reserves." In fact, since 2008 we have more than doubled our reserves from 5% to 10.6% of revenues to \$11.2 million. Our strong bond rating and favorable market conditions allowed us to refinance our existing debt and save over \$260,000 in principal and interest payments. In short, our balance sheet is healthier today than in many years.

Through the growth allowed by Proposition 2 ½, increased Chapter 70 aid and an anticipated \$850,000 in revenue from new growth attributable to economic development, our town budget will grow by approximately \$3 million. Additionally, as a foundation towards our planning for the FY12 budget. I am pleased that we will end this fiscal year paying off our \$1.2 million snow budget carrying no snow debt into the coming fiscal year and once again increasing our reserves.

In terms of our budget priorities, two-thirds of all new revenue will be provided to our schools. Thus, we will remain consistent in making education our priority. Our school budget will increase by \$2 million in fiscal year 2012, providing funding to manage our growing school enrollment and support the establishment of an all-day kindergarten while replacing depleted federal stimulus aid. We will also continue funding towards physically improving our schools with upgrades at East Middle School this year and 3 of our elementary schools.

We will also continue to prioritize public safety. We will add an additional police officer and put more officers on the street through the expansion of the civilian dispatcher program. We will fill vacancies caused by retirements in both the police and fire departments. Funding for an infusion of new equipment including a new fire pumper truck, police and fire command vehicles, cruisers, radios, air packs and gear are included in this budget. Our police and fire headquarters and East Braintree fire stations will be upgraded as well in the year ahead.

Moreover, every budget from our building department to our planning division will receive an increase. Each department is not getting all that they requested but no department will have a cut.

This \$96 million budget that I place before you balances the need to save for the future but also to aspire to expand and improve our services and our infrastructure while retaining one of the lowest residential tax rates in the metropolitan Boston area.

We will begin a new phase in our successful 100 Roads program, identifying 100 new roads to address over the next three years. We will meet our commitment to plant the remaining 125 of our 500 trees to further beautify Braintree. We provide a reserve of dollars to mitigate the potential impact of a midyear reduction in local aid which we have seen in the past. We continue to set aside funds to address the looming cost of retired employee's health care. We further propose increases in the Elder Affairs budget and in our summer and community events programs.

We are able to do these things in part through the savings we have reaped by controlling our health insurance costs. Our employees will see a modest increase in co-pays but a premium increase of less than 3%, the lowest increase in recent memory and far less than that experienced by our neighbors.

There has been much heat and little light unfortunately generated by the debate over public employee health benefits. But in a time of crisis, Braintree's government and its employees stood tall, crafting a common sense solution to an admittedly emotional challenge that saved jobs and serves taxpayers well. Specifically, through our collective bargaining process with each union we have managed our health care and so we have begun to control our health care costs, with no impact to the quality of care.

Over the past several years we have repeatedly witnessed the commitment and pride of our town's workforce. Whether it was last March's floods or this year's snow, our public safety, public works and inspectional services answered the call. Their efforts are a point of pride. And I thank each one for their individual effort that have collectively made a better government.

Additionally, our administrative support team has handled their responsibilities well and starting today our Office of the Treasurer / Tax Collector will be open on until 8 pm on Tuesday evenings for the public's convenience with no additional administrative cost.

Our goal for the year ahead is to stay true to the fiscal discipline that we have shown in the past 3 years. Focused thinking and strategic planning will allow us to remain on the positive path of progress and sustainability.

Admittedly, we will face difficulties and unforeseen challenges. But we will do so not with resentment or despair, but with energy and optimism. I remain confident that better days are nearer than when I first took office and we will be better prepared for them.

A budget is the guiding financial document for our community. Inherent in this financial guide are the values we promote. The value of education, the value of public safety, the value of providing services to our citizens so that we can all take pride in the accomplishments we reach as a community.

I look forward to your review of this thoughtful budget plan over the next 45 days and our continuing efforts to work for the betterment of Braintree.